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E.O. 12356: DECL: DADR TAGS: PREL, XK, MX

SUBJECT: HABIB TRIP: MEETINGS IN MEXICO

SECRET - ENTIRE TEXT.

SUMMARY AND COMMENT: WITH SEPULVEDA AND HIS CONTADORA COLLEAGUES, WITH PRESIDENT DE LA MADRID, AND AGAIN OVER LUNCH WITH SEPULVEDA, I REPEATEDLY EMPHASIZED THAT A CONTADORA AGREEMENT MUST BE COMPREHENSIVE, VERIFIABLE AND SIMULTANEOUS TO BE ACCEPTABLE TO THE CENTRAL AMERICAN DEMOCRACIES AND TO THE UNITED STATES. MADE IT CLEAR THAT THESE CRITERIA INCLUDE DEMOCRATIC NATIONAL RECONCILIATION IN NICARAGUA, THAT A CONTADORA AGREEMENT WITHOUT PRECISE MECHANISMS FOR ENDING THE INTERNAL CONFLICT IN NICARAGUA DEMOCRATICALLY IS NO SOLUTION AND THAT WE WOULD NOT FEEL BOUND TO ABIDE BY SUCH AN AGREEMENT. I AM CONFIDENT BY THEIR REACTIONS THAT THE MEXICANS CLEARLY UNDERSTOOD.

PRESIDENT DE LA MADRID DESCRIBED THE U.S.-NICARAGUAN CONFLICT AS THE KEY IMPEDIMENT TO A SOLUTION. HE SUGGESTED MEDIATION THROUGH A THIRD PARTY TO RESOLVE IT. HE RULED OUT MEXICO BECAUSE "SOME BELIEVE THAT WE ARE TOO SYMPATHETIC TO THE SANDINISTAS." ALTHOUGH I DID NOT GIVE

HIM A DEFINITIVE ANSWER, I GAVE HIM NO REASON TO HOPE THAT WE WOULD AGREE. I SAID THAT CONTADORA IS FULLY ADEQUATE TO RESOLVE BOTH THE INTERNAL CONFLICT IN NICARAGUA AND THE CONFLICT AMONG THE CENTRAL AMERICANS. THOSE PROBLEMS RESOLVED, NICARAGUA WOULD HAVE NO PROBLEM WITH THE UNITED STATES.

A SECOND COMMENT OF NOTE BY DE LA MADRID WAS THAT, SINCE THE CENTRAL AMERICANS ARE MOVING TOWARD A DIRECT DIALOGUE AMONG THEMSEVLES, IT MIGHT BE BEST TO LET THEM TAKE OVER THE DIPLOMATIC PROCESS. I SUGGESTED THAT MEXICO HAS ASSUMED AN OBLIGATION TO STICK WITH THE PROCESS, WHOSE OBJECTIVE WE SEE AS CHANGING SANDINISTA BEHAVIOR.

UNLIKE THEIR CONTADORA GROUP COLLEAGUES, THE MEXICANS SEEMED TO BE UNDER NO ILLUSIONS ABOUT SANDINISTA INTENTIONS AND APPEARED DISPIRITED. THEY WERE SILENT WHEN WE ASKED ABOUT THE TIMING OF RESUMED NEGOTIATIONS.

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END SUMMARY AND COMMENT.

- 3. CHARGE BUSBY AND I MET FOR A TOTAL OF NEARLY FOUR HOURS WITH MEXICAN OFFICIALS APRIL 28. WE BEGAN WITH A 40-MINUTE INTRODUCTORY SESSION WITH FOREIGN SECRETARY SEPULVEDA AND HIS TOP CONTADORA ADVISERS: VICE MINISTER RICARDO VALERO, DIRECTOR FOR UN AFFAIRS CLAUDE HELLER, AND SEPULVEDA'S PERSONAL AIDE, MANUEL RODRIGUEZ. OFFICER HAMILTON SAT IN OUR ON SIDE. THESE SAME OFFICIALS AND WE THEN MET FOR AN HOUR WITH PRESIDENT DE LA MADRID AT LOS PINOS. CONVERSATION WITH SEPULVEDA AND HIS TEAM CONTINUED FOR ANOTHER TWO HOURS OVER LUNCH. THE CONVERSATION AND ATMOSPHERE WERE FRIENDLY AND BUSINESSLIKE THROUGHOUT. BUT BOTH SIDES WERE FRANK AND THE MEXICANS APPEARED SOBERED BY MY INSISTENCE THAT AN AGREEMENT MUST BE COMPREHENSIVE, VERIFIABLE AND SIMULTANEOUS, AND BY MY EXPLANATION OF THESE TERMS. MY PART, I CAME AWAY CONCERNED THAT THE MEXICANS ARE UNWILLING TO ADDRESS THE INTERNAL POLITICAL ISSUE IN NICARAGUA IN A SERIOUS MANNER.
- 4. I BEGAN BY MAKING THE SAME POINTS THAT I HAVE MADE AT EVERY OTHER CONTADORA STOP. I WENT INTO SOMEWHAT GREATER DETAIL THAN IN OTHER MEETINGS, EXPLAINING WHAT WE MEAN BY EACH OF THESE TERMS. I PUT UNITED STATES CONFIDENCE AND SUPPORT FOR CONTADORA IN TERMS OF OUR BELIEF THAT IT PROVIDES A FRAMEWORK FOR ADDRESSING ALL REPEAT ALL ELEMENTS OF THE CENTRAL AMERICAN CRISIS. IN PARTICULAR, I MADE IT CLEAR THAT THE POLITICAL CHAPTER OF CONTADORA IS VITAL TO ACHIEVING A WORKABLE AGREEMENT AND THAT, IN OUR VIEW, THIS IS WHERE THE GREATEST AMOUNT OF WORK STILL

REMAINS TO BE DONE. I STRESSED THAT, ALTHOUGH A CONTADORA AGREEMENT MUST BE ACCEPTABLE IN THE FIRST INSTANCE TO THE CENTRAL AMERICAN DEMOCRACIES, IT MUS ALSO BE ACCEPTABLE TO THE UNITED STATES. I CITED THE INTENTION OF PRESIDENT-ELECT ARIAS IN FORMULATING A SPECIFIC TIMETABLE FOR POLITICAL ACTIONS AS THE KIND OF PRECISE APPROACH TO NATIONAL RECONCILIATION THAT THE CONTADORA PROCESS MUST TAKE TO BRING THE DRAFTING PROCESS TO A SUCCESSFUL CONCLUSION.

- SEPULVEDA RESPONDED THAT THERE ARE TWO CONTADORA DOCUMENTS THAT THE CENTRAL AMERICANS HAVE ADOPTED BY CONSENSUS: THE DOCUMENT OF OBJECTIVES AND THE CARABALLEDA MESSAGE. SEPULVEDA SAID THAT CARABALLEDA IS STILL RELEVANT. I REJOINED THAT THE CENTRAL AMERICAN DEMOCRACIES HAVE HAD SECOND THOUGHTS ABOUT CARABALLEDA AND THAT WE HAVE NEVER ACCEPTED IT. WE BELIEVE TAT CARABALLEDA'S CALL FOR THE U.S. TO CEASE SUPPORT FOR IRREGULAR FORCES AND TO TAKE OTHER ACTIONS VIOLATES THE PRINCIPLE OF SIMULTANEITY. SEPULVEDA ARGUED THAT CARABALLEDA IS THE ONLY CONTADORA DOCUMENT THAT MENTIONS SIMULTANEITY, SUGGESTING THAT ITS INCLUSION IS A CONCESSION TO THE U.S. THIS LED TO A DISCUSSION OF WHAT WE MEAN BY SIMULTANEITY, HAMILTON JOINING IN AT MY INVITATION TO SAY THAT IT IS THE DRAFT TREATY'S STRUCTURE OF SOME COMMITMENTS TAKING EFFECT WHILE OTHER ISSUES ARE STILL BEING NEGOTIATED THAT VIOLATES WHAT WE MEAN BY SIMULTANEITY. RETURNING TO CARABALLEDA, I SAID NOW THAT THE CONTADORA PROCESS HAS RETURNED TO THE ACTA AS THE CENTRAL FOCUS OF ITS ACTIVITY, WE ARE LESS CONCERNED ABOUT CARABALLEDA AND HAVE NO WISH TO DEBATE IT.
- 6. SEPULVEDA PERSISTED. HE REVIEWED THE PURPOSE OF CARABALLEDA: TO RECREATE A CLIMATE IN WHICH NEGOTIATIONS COULD RESUME AND PROSPER. THIS REQUIRES TAKING THE 9 ACTIONS ENNUMERATED IN THE CARABALLEDA MESSAGE. I REITERATED THAT THE UNITED STATES DOES NOT ACCEPT AND IS

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NOT BOUND BY CARABALLEDA. I SAID THERE WILL BE NO CESSATION OF U.S. SUPPORT FOR THE CONTRAS OR OF OUR OTHER PRESSURES ON NICARAGUA EXCEPT AS PURSUANT TO IMPLEMENTATION OF AN ACCEPTABLE COMPREHENSIVE AGREEMENT. MY LETTER OF APRIL 11 MAKES THAT CLEAR. ON THE OTHER HAND, I NOTED, WE WILL SUPPORT AND RESPECT, FROM THE DATE OF SIGNATURE, AN AGREEMENT THAT MEETS THOSE CRITERIA. SEE NO REASON WHY NEGOTIATIONS SHOULD TAKE MORE THAN ANOTHER MONTH OR TWO TO CONCLUDE. WE APPROVE OF CONTADORA HAVING SET A DEADLINE. ALTHOUGH IT COULD HAVE TO SLIP SOMEUHAT, THE PROCESS SHOULD NOT IN OUR VIEW BE PROLONGED INDEFINITELY.

- FOLLOWING THE MEETING WITH PRESIDENT DE LA MADRID (SEE PARAS 12-14), CONVERSATION WITH SEPULVEDA AND HIS AIDES CONTINUED ALONG THESE LINES FOR ANOTHER TWO HOURS. I TOOK THE LINE THAT CONTADORA HAS A RESPONSIBILITY TO MOVE NICARAGUA TOWARD DEMOCRACY. SEPULVEDA DEMURRED. THIS IS BEYOND CONTADORA'S ROLE, HE SAID. I DISAGREED ON THE GROUNDS THAT CONTADORA HAD ASSUMED SUCH A RESPONSIBILITY WHEN IT TOOK ON THE MEDIATION EFFORT AND KEPT THE UNITED STATES OUT. THE ROOT SOURCE OF CONFLICT IS THAT THE SANDINISTAS ARE NOT TREATING THEIR PEOPLE PROPERLY. THE BOTTOM LINE IS THAT THE SANDINISTAS HAVE TO CHANGE THEIR WAYS. IN OUR VIEW THAT IS WHAT CONTADORA IS ALL ABOUT. THAT IS WHY WE SUPPORT IT.
- SEPULVEDA ASKED WHAT NICARAGUA WOULD HAVE TO GAIN FROM SUCH AN AGREEMENT. I SAID A CONTADORA AGREEMENT IS THE ALTERNATIVE TO A PROLONGED AND INTENSIFIED CONFLICT THAT IS ALREADY TEARING THE COUNTRY APART. WE ALSO POINTED OUT THAT CONTADORA ACHIEVES NICARAGUAN SECURITY OBJECTIVES. SEPULVEDA SAID HE WISHED HE COULD CONVINCE THE SANDINISTAS OF THAT.
- SEPULVEDA COMPLAINED THAT THE CENTRAL AMERICANS ARE POSTURING IN SAYING THAT THEY ARE READY, EVEN IF NICARAGUA DOES NOT SIGN, TO SIGN THE ACTA ON JUNE 6. HONDURANS ARE NOT RECONCILED TO THE SEPTEMBER 1985 DRAFT PROVISIONS ON MANEYUERS. THEIR TALK OF SIGNATURE IS DISINGENUOUS. I REPLIED THAT, WHILE THIS IS POSSIBLE, MY OWN IMPRESSION IS THAT THE CENTRAL AMERICANS ARE READY TO NEGOTIATE A FINAL AGREEMENT. IF THE MEXICANS DOUBT THEIR SINCERITY, THE ONLY WAY TO SMOKE THEM OUT IS TO RECONVENE NEGOTIATIONS. THE PROBLEM IS THAT GOVERNMENTS DO NOT MAKE HARD DECISIONS UNTIL NEGOTIATIONS NEAR A CONCLUSION. CONTADORA IS AT THAT MOMENT BUT APPEARS HESITANT TO GO FORWARD. I NOTED THAT THE PANAMA COMMUNIQUE EMPHASIZED SIGNATURE BY JUNE 6. IT IS NOW THE END OF APRIL AND TALKS HAVE YET TO RESUME. WHEN WILL TALKS RESUME, I ASKED? THE MEXICANS WERE SILENT. (THE MEXICAN PRESS REPORTED APRIL 27 THAT THE CONTADORA GROUP IS CONTEMPLATING INDIVIDUAL CONSULTATIONS IN LIEU OF A NEW ROUND OF NEGOTIATIONS.)
- 10. SEPULVEDA ALSO COMPLAINED (INTIMATING U.S. PRESSUR) THAT ARIAS HAS NOT INVITED ORTEGA, RAMIREZ, OR D'ESCOTO TO HIS INAUGURATION. I TOLD SEPULVEDA THAT RAMIREZ IS < ATTENDING, ACCORDING TO WHAT ARIAS TOLD US APRIL 26. SOMEWHAT MOLLIFIED, SEPULVEDA SAID THE ARIAS INAUGURATION COULD BECOME AN OCCASION FOR DEALING SERIOUSLY WITH

REMAINING ISSUES. IT WOULD DO GOOD TO PRETEND THAT THEY DO NOT EXIST. SEPULVEDA URGED THAT I HAVE A PRIVATE CHAT WITH RAMIREZ. I WENT OVER OUR OBJECTIONS TO BILATERAL TALKS. LATER IN THE CONVERSATION, SEPULVEDA ACKNOWLEDGED THAT MY LETTER OF APRIL 11 WAS POSITIVE BUT ADDED THAT "YOU SHOULD HAVE GONE TO MANAGUA" ON THIS TRIP.

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11. SEPULVEDA REITERATED THAT ONLY ARMS AND MANEUVERS REMAIN TO BE NEGOTIATED BUT BACKTRACKED SOMEUHAT WHEN WE RAISED VERIFICATION AND RELATED ISSUES. I THANKED SEPULVEDA FOR PROVIDING US WITH AN UP-TO-DATE TREATY TEXT AND SAID WE WOULD STUDY IT CAREFULLY. OUR FIRST READING, HOWEVER, IS THAT WE COULD NOT AGREE TO THE PROVISIONS ON MANEUVERS, WHICH ARE TOO RESTRICTIVE. I EXPLAINED THAT THE MANEUVERS AND OUR MILITARY PRESENCE ARE REASSURING TO BOTH HONDURAS AND TO EL SALVADOR. I URGED THAT CONTADORA GET ON WITH ACTUAL ARMS NEGOTIATIONS SO AS TO COMPLETE TALKS BY JUNE 6. SEPULVEDA SAID MATTERS ARE NOT THAT SIMPLE. "THE ACTA IS NOT READY" AND IS NOT LIKELY TO BE FOR A LONG TIME.

- IN OUR MEETING WITH THE PRESIDENT, DE LA MADRID CAME QUICKLY TO HIS MAIN POINT. IN THE MEXICAN VIEW, THE CENTRAL AMERICAN CONFLICT HAS TWO DIMENSIONS: NICARAGUA VERSUS ITS NEIGHBORS AND NICARAGUA VERSUS THE UNITED STATES. SINCE RENEWAL OF THE U.S. - NICARAGUAN DIALOGUE SEEMS IMPROBABLE, THE PRESIDENT SAID, WHY NOT TRY THIRD-PARTY MEDIATION? DE LA MADRID QUICKLY ADDED THAT MEXICO COULD NOT PLAY SUCH A ROLE, BECAUSE "SOME BELIEVE WE ARE TOO SYMPATHETIC TO THE SANDINISTAS." I SAID WE WOULD CONSIDER HIS SUGGESTIONS, BUT GAVE NO HOPE THAT WE WOULD AGREE. I SAID THE BASIC CONFLICT IS BETWEEN THE NICARAGUAN GOVERNMENT AND ITS PEOPLE. IF CONTADORA IVES UP TO ITS COMMITMENTS AND SOLVES THE BASIC ISSUE, THE PROBLEM OF THE CONTRAS WILL GO AWAY. A BILATERAL DIALOGUE ONLY ENCOURAGES THE SANDINISTAS IN THE BELIEF THAT THEY CAN AVOID DEALING WITH THIS BASIC ISSUE.
- 13. DE LA MADRID SAID U.S. SUPPORT FOR THE CONTRAS CONSTITUTES THE BASIC IMPEDIMENT TO AGREEMENT. IT IS DIFFICULT FOR LATINS TO ACCEPT THAT A GOVERNMENT MUST NEGOTIATE WITH AN EXTERNALLY SUPPORTED REBEL GROUP. I POINTED TO EL SALVADOR, AND ARGUED THAT, IF CONTADORA'S POLITICAL CHAPTER HAS ANY MEANING AT ALL, IT MEANS THAT NICARAGUA MUST CHANGE ITS BEHAVIOR TOWARD ITS OWN PEOPLE. IF IT DID THAT, U.S. SUPPORT FOR THE CONTRAS WOULD BECOME A MOOT ISSUE. IF A CONTADORA AGREEMENT FAILS TO BRING ABOUT A CHANGE IN NICARAGUAN BEHAVIOR, IT WILL NOT BE ACCEPTABLE TO THE CENTRAL AMERICANS OR TO THE
- U.S. THAT, SAID DE LA MADRID, IS THE DIFFERENCE BETWEEN US.
- 14. NOTING THAT CEREZO AND ARIAS APPEAR TO HAVE POSITIVE ATTITUDES TOWARD DIALOGUE, DE LA MADRID SAID THEIR EFFORTS SHOULD BE ENCOURAGED AND STIMULATED. THE IDEAL, DE LA MADRID SAID, WOULD BE FOR THEM TO TAKE OVER THE DIPLOMATIC EFFORT THEMSELVES, AND WORK OUT THEIR PROBLEMS ON THEIR OWN. I SAID CONTADORA'S HELP IS STILL NEEDED. CONTADORA HAS ASSUMED A RESPONSIBILITY TO GET AN AGREEMENT AND CAN NOT ABANDON THE PROCESS NOW. WHITEHEAD

END OF MESSAGE

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